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United Nations Public-Private Alliance for Rural Development

Report of the Secretary-General

Summary

In 2003, the high-level segment of the Economic and Social Council took up the theme "Promoting an integrated approach to rural development in developing countries for poverty eradication and sustainable development". The ministerial declaration adopted by the Council at its high-level segment highlighted the importance of alliances among stakeholders to achieve the aims of rural development. Council resolutions 2004/49 and 2005/42 on the United Nations Public-Private Alliance for Rural Development built upon this ministerial declaration as an innovative ad hoc initiative of the Council, with Madagascar and the Dominican Republic as pilot countries for the Alliance.

The present report responds to Council resolution 2005/42 requesting the Secretary-General to report to it at its 2007 substantive session on the work of the United Nations Alliance in the two pilot countries, covering work by national institutions and various development partners, donor developed and developing countries, United Nations system organizations, non-governmental/civil society organizations and the private sector. The report also presents policy recommendations to enhance the capacity of the national mechanisms in the pilot countries to fast-track partnership projects for rural development.

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I. Introduction

A. Background

1. The present report is the first to be submitted in compliance with a request made by the Economic and Social Council in its resolution 2005/42 on the United Nations Public-Private Alliance for Rural Development,[1] requesting the Secretary-General to report to the Council at its 2007 substantive session on the work of the Alliance.

2. By its resolutions 2004/49 and 2005/42, the Council approved Madagascar and the Dominican Republic as the first and second pilot countries of the Alliance. In its resolutions, the Council invited Member States, the funds, programmes and agencies of the United Nations system, the Bretton Woods institutions, civil society, the private sector and other relevant shareholders to support the programmes and activities of the Alliance in its mission to promote sustainable rural development, consistent with General Assembly resolution 58/129 and other relevant resolutions and decisions of the Assembly and the Council. The Council stated that activities of the funds, programmes and specialized agencies of the United Nations system at the country level in support of the Alliance should take into account the implementation of the United Nations Development Assistance Framework. In its resolution 60/215 entitled "Towards global partnerships", the Assembly likewise made specific reference to the Alliance.

3. This initiative for promoting rural development is derived from the high-level segment of the Council in 2003, which took up the theme "Promoting an integrated approach to rural development in developing countries for poverty eradication and sustainable development". Building upon a key recommendation in the related document entitled "World economic situation and prospects" (E/2005/51), the Council in its ministerial declaration[2] highlighted the importance of alliances among all stakeholders to achieve the aims of rural development.

4. The Alliance responds to that mandate, and is in line with the recognition that reducing rural poverty is a key factor to achieving the Millennium Development Goals in developing countries, and particularly low-income countries, due to their heavy dependence on agriculture and the fact that most of their populations reside in rural areas.

5. The Council's objective in the Alliance initiative is to bring together different stakeholders, in order to accomplish together more than can be done separately. The mission of the Alliance is to (a) work as a catalyst and facilitator for the creation of partnerships; (b) to provide a platform for collaboration; and (c) to bring the results of these efforts to the attention of the international community through the Council.

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[1] The United Nations Public-Private Alliance for Rural Development is the third in a series of innovations by the Economic and Social Council in recent years to promote participation by a wider range of stakeholders, following the Information and Communication Technologies Task Force (2000) and the Ad Hoc Advisory Groups on African countries emerging from conflict (2002).

[2] See *Official Records of the General Assembly, Fifty-eighth Session, Supplement No. 3* (A/58/3/Rev.1), chap. III, para. 35.

B. Importance of rural development in the pilot countries

6. Rural development plays a key role in the development process in Madagascar, as the vast majority of its population lives in rural areas. Agriculture accounts for 30 per cent of its gross domestic product (GDP) and employs 80 per cent of Malagasy families. Yet, despite the country's exceptional richness in natural resources and its high potential for agricultural production, more than 70 per cent of the population lives in poverty, 85 per cent of which in rural areas. Thus, the eradication of poverty from rural areas is critical to the realization of the internationally agreed development goals.

7. Rural development is just as important for the Dominican Republic, as a majority of the Dominicans who live below the poverty line reside in rural areas. Additionally, most rural Dominicans suffer from poor social services and limited employment opportunities. A series of factors, including inadequate rural infrastructure, vulnerability to changes in the international price for agricultural commodities and the incidence of natural disasters (such as hurricanes) jeopardize agricultural production, thereby hindering consistent rural economic performance. The difficulties experienced by rural areas as they try to develop led to the selection of the Dominican Republic as the second pilot country, in the hope that the initiative could help reduce rural poverty.

C. Promotion of partnerships for rural development in achieving the Millennium Development Goals

8. The concept of public-private partnerships is based on the recognition that development partners can benefit from these alliances by pooling their technical, financial and technological resources to support sustainable rural development.

9. The acceleration of rural development through partnerships could facilitate the process to achieve the internationally agreed goals, including the Millennium Development Goals. In this context, there is a need to mobilize partnerships for Madagascar and the Dominican Republic, particularly with development partners operating at the country level. Such partnerships would help to reinforce policies and programmes that address a broad range of issues related to rural development. Attaining the Millennium Development Goals will not be possible without a significant increase in rural incomes.

10. At the country level, the United Nations system should fully reflect the interests of the rural poor in the common country assessment and the United Nations Development Assistance Framework processes, as well as in poverty reduction strategy papers, by promoting direct participation of the relevant rural organizations and directly articulating key rural development concerns. Non-governmental and civil society organizations, foundations and academia play an active role in promoting partnerships. The participation of the private sector in public-private partnerships provides great potential for the promotion of sustainable rural development.

D. Structure of the report

11. The present report examines the work of the Alliance, accomplishments and continuing challenges and constraints in promoting partnerships for rural development. The first section explains the priority given by the Governments of Madagascar and Dominican Republic to rural development. Section two discusses the establishment of national mechanisms in these two countries and the progress achieved in promoting partnerships with various stakeholders. Section three outlines the importance of strengthening the capacities of Alliance Madagascar and the Presidential Commission and global advocacy to perform as an effective platform for fast-track partnerships. The concluding section raises some critical issues and also suggests measures to improve the work of the Alliance.

12. The preparation of the present report benefited from inputs from the stakeholders[3] of the two pilot countries. The report also contains information on the supportive activities provided by non-governmental and civil society organizations and the private sector in both Madagascar and the Dominican Republic.

II. Work of the Alliance

A. Alliance Madagascar

13. The country-level mechanism of the Alliance, Alliance Madagascar, was established in 2004 by a government decree to promote partnerships in rural development. The Prime Minister of Madagascar chairs meetings of high-level participants from the four stakeholder groups, namely, the Government, the private sector, non-governmental organizations and financial/technical communities. Two members of the United Nations country team participate in these meetings: the United Nations Resident Coordinator/Resident Representative of the United Nations Development Programme (UNDP) and the representative of the Food and Agriculture Organization of the United Nations (FAO). The work of the Alliance falls well within the priorities already enunciated in the country's vision to stimulate economic activity and overcome poverty as set out in the recently launched Madagascar Action Plan, in which rural development receives top priority.

14. A management team of stakeholders, with supporting staff, was put in place in Alliance Madagascar to assure regular collaboration in the implementation of the annual workplan. The management team is composed of six officials, including two managers who produce monthly reports, which are submitted to the management team. The representatives of Alliance Madagascar have held meetings with UNDP in Antananarivo and in New York concerning the need for the provision of technical

[3] Inputs for the present report came from the Government of Madagascar, the Dominican Republic, the Food and Agriculture Organization of the United Nations , the International Fund for Agricultural Development, the World Food Programme, the United Nations Development Programme, UNCDF, the Economic Commission for Africa, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Western Asia, the United Nations Educational, Scientific and Cultural Organization, the United Nations Development Fund for Women, the United Nations Environment Programme, the Office of the United Nations High Commissioner for Refugees, the World Trade Organization, the International Labour Organization, the International Monetary Fund and the International Maritime Organization.

and financial support for the Alliance. Alliance Madagascar carried out several communication activities to increase public awareness and to promote opportunities presented by the initiative in the country.

1. Promotion of partnerships: accomplishments

15. The present section provides examples of partnership projects that have been initiated to promote rural development in Madagascar since July 2004.

16. FAO has been an active supporter of the Alliance since its creation. It provided technical assistance for the establishment of Centres de services agricoles in six pilot areas in the country, bringing together farmers' associations at the district level with private sector organizations, providing rural credit and agricultural tools as well as facilitating transport and marketing. It has also provided technical assistance to local government agencies and non-governmental organizations. With financing by the European Union and technical assistance provided by FAO and other partners over a period of three years, the Ministry of Agriculture, Livestock and Fisheries will establish centres in all 103 districts. The initiative is parallel and complementary to the Millennium Challenge Account of the United States of America and the United States Agency for International Development Business and Market Expansion Programme banks initiatives in the establishment of agriculture business centres (the Millennium Challenge Account in five regions, the Business and Market Expansion Programme in another four regions) with similar objectives to promote business opportunities in the agricultural sectors of the country.

17. FAO has been active in the development of export opportunities in the region, particularly in the neighbouring island of Réunion. In collaboration with the Fédération Réunionnaise des cooperatives agricoles, a French programme of farmers' cooperatives, it assisted Malagasy producer groups in introducing better production methods with an assured export market to Réunion. Another major initiative of FAO was the introduction of cross-border projects in promoting investment and cooperation opportunities between Madagascar and Mauritius. FAO facilitated business meetings between Mauritian and Malagasy operators in close cooperation with the Ministry of Agriculture, Livestock and Fisheries, the Ministry of Trade, Industry and Private Sector Development, the Millennium Challenge Account and the Business and Market Expansion Programme and technical exchange missions between the two countries. The exchange visit was useful also in identifying constraints to business development in Madagascar: access to credit, land, customs regulations, phytosanitary restrictions, logistics and storage and processing facilities.

18. FAO has also provided technical support for agroprocessing techniques through the provision of a consultant to the Government of Madagascar. The Government of India will finance the installation of an agro-techno pole[4] in the Vakinankaratra Region and Tamatave Province. In 2006, FAO assisted Madagascar in a range of activities to support agribusiness initiatives. Public-private partnerships have been promoted in particular through the establishment of specific platforms (for example, the Rice Observatory Platform) aimed at bringing together farmers' associations, trade associations and the public sector. FAO has been involved in the establishment of platforms for rice, fertilizers, lychees, onions and potatoes.

[4] See www.tana-cciaa.org.

19. Another Rome-based food agency, the International Fund for Agricultural Development (IFAD), has also actively supported the Alliance in promoting public-private partnerships in rural areas. In order to address the complex nature of rural poverty reduction, IFAD has worked with a diverse group of public and private partners, including governments, United Nations system organizations, non-governmental and civil society organizations and the private sector, to develop and implement projects and programmes designed to increase agricultural productivity, food security and the incomes of poor, vulnerable and marginalized people in rural areas.

20. IFAD has invested in rural and agricultural development projects in Madagascar that have benefited many people in its rural areas. Currently, it supports three ongoing projects for a total of $42 million that are designed to strengthen farmers' organizations, improve poor people's access to rural credit and markets and to help increase agricultural production. The first is a project to enhance development in the Menabe and Melaky regions, which supports the Government of Madagascar in its reform of land-use rights and titling system on its West Coast. The second, the Rural Income Promotion Programme, is designed to improve market access for small-scale producers through the value-chain approach, adds value to their products by supporting a fair contracting between farmers, processors, traders and exporters on the east coast. The third is the Upper Mandrare basin development project to raise farm and off-farm incomes for rural populations in the project area (southern dry land of Madagascar), to improve the living conditions of the rural poor and reinforce food security.

21. In December 2006, the Executive Board of IFAD approved the Country Strategic Opportunities Programme for Madagascar, which identifies IFAD strategies and priorities in Madagascar over the period 2007-2012. The Programme was prepared in close consultation with the Government and development stakeholders and is based on national poverty reduction and development strategies, in particular the Madagascar Action Plan. The strategic objectives of the IFAD operational strategy in Madagascar include considerable private sector involvement in line with the Government's stated goal of promoting rural economic growth.

22. The World Food Programme (WFP) has also actively provided support for developing partnerships through Alliance Madagascar, and has developed, in line with the objectives of the Alliance, a public-private partnership in Madagascar to support rural development. A private company, Semis Direct de Madagascar, in collaboration with the non-governmental organization Tany sy Fampandrosoana, introduced in 2004 an improved variety of rice seeds in the south-east of the country, which is chronically affected by food insecurity. In July 2005, the consortium signed with WFP a convention to drain 400 hectares of marshlands for an improved agricultural production project with local communities to address the problem of structural food insecurity affecting the most vulnerable and the poorest local communities in the zones of Manakara in the Vatovavy-Fitovinany Region and Vohipeno and Farafangana in the south-east of the country. Within that collaboration, Semis Direct provided improved seeds and financial support to farmers to encourage them to adopt better agricultural and environmental techniques for production. WFP has also contributed food to address the needs of communities during the first year of agricultural activities prior to harvest.

23. A team representing UNDP Africa and the Millennium Project visited Madagascar in June 2006 to help the Government prepare a needs assessment and costing for achieving the Millennium Development Goals. The assessment was used in the preparation of the Madagascar Action Plan, which is the Government's five-year development plan designed to fully integrate the Goals.

24. The UNDP Growing Sustainable Business initiative in Madagascar has actively facilitated innovative and pro-poor business ventures in various sectors. Activities undertaken include promoting ecotourism, encouraging the use of solar power, strengthening small- and medium-sized enterprises in the hydrocarbon sector, supporting the industrial wind energy centre, promoting energy diversification and the adoption of artemisinin-based therapies against malaria.

25. A study was conducted by the United Nations Capital Development Fund on the microfinance sector and its relationship with the financial sector. It was validated by the stakeholders, the Government, the Central Bank, the microfinance institutions and their associations, the commercial banks and donors. The stakeholders engaged in a participatory process to develop a national microfinance strategy, which was approved at a national workshop in March 2004 and endorsed by the Government in June 2004. A steering committee comprising representatives from the Government, the donors, the microfinance institutions and their associations and the bankers association, oversee the implementation of the strategy and provide guidance on the implementation of the plan of action. A coordination unit within the Ministry of Finance is in charge of the day-to-day implementation of the plan of action.

26. The overall objective of the Madagascar programme of the Fund is to increase sustainable access of financial services to low-income households through support for the implementation of the strategy, leading to a sustainable supply of diversified, suitable and increased financial services, mainly in the areas not covered by microfinance institutions. Programme support includes the organization of an institutional framework that will ensure a well-structured sector and efficient coordination and implementation of the strategy. The implementation of the programme will have a positive impact on access to financial services in rural areas.

27. Alliance Madagascar has been instrumental in bringing about support from Land O'Lakes, Inc. to the Ministry of Agriculture to enable it to draft a master plan for rural development. The plan, which began in April 2004, aims at providing an overarching perspective and action strategy for other efforts and plans already devised and under way. The new approach of the plan maximizes the market-oriented business focus, critical for the rapid and sustainable advancement of rural development.

28. FAO, in collaboration with the Comité d'appui pour la relance des enterprises, a Malagasy support committee that establishes companies and brings new initiatives to the principal business-oriented groups of stakeholders, provided financing and related support to the managers of Alliance Madagascar from March to October 2004. In January 2005, IFAD also decided to support the committee. The close collaboration established between the sector of the Alliance related to agriculture and FAO was primarily concerned with the elaboration of bankable projects. Five projects introduced by the Ministry of Agriculture in collaboration with the Alliance were identified as bankable projects focusing on the promotion of income generation through small-scale agribusiness.

29. Non-governmental and civil society organizations also contributed to programmes for rural development. A successful partnership was established between the New York-based Non-Profit Computing, Inc. with the Rotary Clubs of New York and the province of Antananarivo. The partnership has achieved important results, such as the creation of Madagascar's first information and communications technology village in Sambaina. Non-Profit Computing, Inc. donated 483 pre-owned working computers to the province of Antananarivo in 2005. The objective of the partnership was to provide technical assistance to bridge the digital divide between rural and urban local authorities and schools. The Alliance helped establish a partnership between the province and the Rotary Club of Anatanarivo to provide technical assistance to users of the newly-acquired computers. The project helped to improve the village administration and schools in the province.

30. The next phase to transform Sambaina into a model information and communications technology village attracted additional partners, such as the University of Oklahoma (United States of America) and the Observatory for Cultural and Audiovisual Communication in the Mediterranean and in the World (Italy), which works closely with the United Nations Educational, Scientific and Cultural Organization (UNESCO). Other stakeholders in the project include several universities (Politecnico di Milano, Università Cattolica del Sacro Cuore, Stony Brook University), private companies (Microsoft, Siemens, Telespazio, Pianeta, Water B2B), civil society organizations and the Government of Madagascar.

31. The project is aimed at fighting poverty at the community level through the use of new information and communications technology for achieving alternative clean energy and water and community renewal. The initiative was presented at the World Summit on the Information Society in Tunis in November 2005. The process of implementation and replication of the project was then started in the village of Sambaina, with four main services: (a) e-learning, through digital classrooms overseen by universities with extensive experience in that area; (b) "telemedicine" in the local health-care facilities, providing services for pregnant women and newborn children, and which could eventually provide minor surgery through a network of local and international hospitals and research centres; (c) e-governance facilities housed local government offices, in which the local community can learn to use information and communications technology programmes such as the Internet, e-mail and word processing software, and have access to basic services, such as the distribution of identification cards, permits and official documents; and (d) Internet-based consulting for improving agricultural production. The aim of the project is to generate new business enterprises and economic activities in the villages.

32. In 2006, Alliance Madagascar and the Observatory entered into a partnership with the Italian satellite provider Eutelsat Communications, which offered to donate a year of free satellite Internet service to the village, which is expected to allow the project to expand its reach and to start programmes requiring Internet connections, such as e-commerce and e-learning.

33. In June 2006, Alliance Madagascar invited the Director of the Millennium Project and the President of the Observatory to establish projects for achieving the Millennium Development Goals. At a meeting with the Government of Madagascar, the village of Sambaina was designated as Madagascar's first African Millennium

Village project. Its promoters, the Millennium Project and the Earth Institute at Columbia University, will support the project in collaboration with UNDP, which will take a bottom-up approach to lift villages out of poverty. The plan is to provide early results to achieve the Millennium Development Goals, for reducing poverty, hunger, disease, illiteracy and environmental degradation, by 2015. The Government of the Republic of Korea has committed financial support for the implementation of the Millennium Village in Madagascar.

34. A representative of Alliance Madagascar participated in a training programme in fish farming organized by the Infopoverty Institute and the Public Service Institute of the University of Oklahoma, in Rosaryville, Louisiana, from 15 to 19 May 2006. The training workshop focused on introducing fish farming as a sustainable development enterprise in low-income countries. The representative also attended a follow-up training programme, which was held in New York on 9 August 2006. An official from FAO made a well-documented presentation demonstrating the critical need for aquaculture to complement capture fishing to supplement diets in low-income communities in the coming years.

35. Alliance Madagascar also established a partnership between the World Wildlife Fund and the Mayor's Office of Sambaina for a project aimed at increasing the production of honey and fruit and the establishment of bee-keeping facilities. The project has generated new income while contributing to the production of the environment.

36. Alliance Madagascar established a partnership with Columbia University in 2005 with the aim of conducting lead studies on rural microfinance, the export of man-made products and the potential socio-economic and environmental impact of mining exploration by the mining company MineCore.

37. The Africa Bureau of the Tokyo International Conference on African Development/UNDP is planning a two-pronged approach to the promotion of business opportunities between Madagascar and Asian countries to help set up a web-based Africa-Asia exchange desk, and to facilitate participation by entrepreneurs from Madagascar in the Africa-Asia Business Forum series.

38. For the biennium 2008-2009, the Economic Commission for Africa (ECA) has made plans to prepare a series of papers on public-private partnerships in agro-industry and agribusiness. The Commission also plans to organize a high-level meeting on public-private partnerships in agro-industry and agribusiness.

2. Impact and challenges

39. Some examples of the impact of the public-private partnerships for rural development are described below.

40. The partnership comprising the Malagasy Ministry of Agriculture, WFP, IFAD, Semi Direct de Madagascar and Tany sy Fampandrosoana has had a positive impact in the south-east of the country, an area that has been adversely affected by food insecurity. As a result of a project to improve the quality of rice seeds, farmers produced a total of 1,100 tons of paddy rice and 250 tons of niebé (a local type of pulse). Rice production has increased from 0.8 to 1 ton per hectare of rice field cultivated by traditional methods to 2.75 tons with the improved ones. The efforts of the partnership have proved beneficial, as it has brought together humanitarian aid

agencies and the private sector to improve the daily livelihood of the very poor and the most vulnerable living in remote areas of the countryside.

41. The action plan of the National Microfinance Strategy and its alignment with the Madagascar Action Plan has provided an effective framework for mobilizing and efficiently using more resources to increase access to financial services in rural areas. The Strategy included a clear plan of action with a budget. The United Nations Capital Development Fund and UNDP are partners in supporting the Microfinance Strategy through funding and implementation of a regional programme entitled "Building Inclusive Financial Sectors for Development". This home-grown, nationally owned programme, which has a high-level commitment from the Government, drives the process of constructing an inclusive financial sector in Madagascar. The programme results expected by 2009 are as follows: 592,000 savers (one saver per household) with savings equivalent to $22 million; 295,500 borrowers (one per household) with loans equivalent to $56.8 million, representing 50 per cent of the projected demand.

42. The five-year master plan for rural development drafted with Land O'Lakes, Inc. is expected to achieve two significant results: (a) to move 700,000 rural households (3.5 million people) out of poverty and into a more food-secure environment; and (b) to engage 350,000 households (1.75 million people) in more formal, market-based food systems, thereby doubling their household revenue. The master plan is to be funded by the World Bank Rural Development Support Project.

43. The joint Information and Communication Technology project involving the Observatory for Cultural and Audiovisual Communication in the Mediterranean and in the World, Non-Profit Computing, Inc. and Rotary International has had the following results: (a) digital classrooms: currently more than 600 students aged 11 to 15 are regularly trained in order to accelerate the digital literacy of the community and create new jobs. The project has also been extended to the neighbouring community of Ankadimanga; (b) a new community resource accessible to all: in 2005, the Sambaina community built a cyber-room in the town hall to help members of the community get acquainted with the computer world. The initiative was undertaken jointly by the Sambaina Town Council, the Commune and the Decentralization Department, and supported by the Ministries of Education, Health and Telecommunications. Students, farmers, job seekers and virtually all members of the community can now learn basic computer skills in classes with six personal computers at their disposal eight hours per day at a cost of approximately $2.50 per month. The centre not only helps the citizens to fight poverty but also encourages them to stay in the village and to broaden their perspectives. The local administration now works faster, thanks to the use of computers and simpler data searches and processing; (c) day hospitals: computer facilities have been provided to improve the infrastructure of the Sambaina and Ankadimanga basic health-care centres. In addition, the day hospital has been equipped to care for pregnant women and newborn children in those areas; (d) Telemedicine has been introduced to the local day hospital. Isolated areas can now have access to shared and remote medical expertise by means of telecommunications and information technology. A network of hospitals provides services that include diagnoses, prescriptions, and special services for pregnant women, the newborn and disabled persons. From an administrative point of view, hospital staff can create and manage demographic data, prepare reports or gather statistics, and transmit them to the Ministry of Health.

Computerization has helped the health-care centres to make savings by using much less paper and increasing productivity.

44. Alliance Madagascar reported that greater support from development partners would have given the national mechanism a higher profile when promoting more public-private partnerships projects in the country. Despite firm support from the Prime Minister of Madagascar, the Alliance ran into difficulties owing to limited capacities. The business team, which was assigned to lead the Alliance and to which FAO provided office space and logistics, has not been able to work efficiently in accordance with expectations because of financial constraints. The scarce financial resources resulted in occasional non-payment of salaries to managers, a fact which ultimately led to their departure. As there were no full-time managers for the Alliance following its creation, it had only a limited capacity to facilitate a larger number of partnerships. Despite these constraints, however, the partnerships that were established have yielded tangible results.

B. Presidential Commission (Dominican Republic)

45. The Presidential Commission on the Millennium Development Goals and Sustainable Development, established in 2004 by the Government of the Dominican Republic, supports the work of the United Nations Public-Private Alliance for Rural Development through linkages with global and national development partners.

46. The Commission and some government ministries in the Dominican Republic promote the principles of public-private alliances to strengthen cooperation with United Nations system organizations and to expand partnerships with the private sector and non-governmental/civil society organizations, with a view to achieving the Millennium Development Goals targets. The work of the Ministry of Agriculture is closely related to the Alliance themes. The aim of the Commission's task force on hunger, the "Comer es Primero" programme, is to work for poverty reduction through the effective implementation of task force strategies and recommendations, including public-private partnerships for rural development. In keeping with the Government's goal of promoting awareness, assessment and attention to the Millennium Development Goals at the local level, and with the encouragement of the Millennium Project, the Commission has championed the identification of two low-income provinces, namely, El Seibo and Monte Plata. This has opened up opportunities to expand projects under the framework of the Alliance.

1. Promotion of partnerships: accomplishments

47. Examples of partnership projects promoted by the Commission and development partners for rural development since July 2005 are given below. The key strategy is to promote pro-poor business through partnerships with government, United Nations system organizations, non-governmental/civil society organizations and the private sector. Also, as a sizeable number of Dominicans live in the United States of America, efforts have been made by the Government of the Dominican Republic and development partners to promote partnerships with financial institutions and various Dominican associations in the United States to attract a larger flow of remittances and further expand foreign trade and foreign direct investments.

48. The Millennium Project has supported the Dominican Republic in the preparation of its first Millennium Development Goal needs assessment report entitled "Investing in sustainable development in the Dominican Republic". The results of the assessment and the costing were published in July 2005, and the subsequent national budget drew upon the priorities that it had identified. Needs were found in the areas of agriculture, education, gender equality, public health including HIV/AIDS, environment and infrastructure. Other specific areas identified by the Government were safe quality standards, sanitation, mining, textiles, tourism, small and medium enterprises, finance, information and communication technology and energy.

49. UNDP and the Global Foundation for Democracy and Development, in close collaboration with the Government of the Dominican Republic, organized a regional consultation on migration, remittances and development for Latin America and the Caribbean in Santo Domingo from 27 to 29 July 2006. The main objectives of the consultation were to brainstorm on possibilities for creating remittance-based financial products and services that could help improve livelihoods in the recipient communities, strengthen the role of diaspora/hometown associations in the local development processes and explore mechanisms to make those processes efficient and participatory. The representatives of the Alliance were closely involved in the planning process of the consultation, as its objectives were in line with the aims of the Alliance.

50. The consultation provided a stimulating opportunity for a wide variety of stakeholders to evaluate the impact that migration and remittances were having on development in countries with significant levels of emigration. The outcome of the consultation included (a) a replication of the best practices and mechanisms in other countries/regions, including through South-South partnerships; (b) significant potential and demand to create remittance-based inclusive financial products through public-private partnerships; and (c) the creation of a knowledge-sharing network and community of practice to share knowledge and lessons for engaging diaspora/hometown associations in local development processes. The outcome of the consultation was forwarded to the President of the General Assembly as a document for the High-level Dialogue on International Migration and Development held on 14 and 15 September 2006 in New York.

51. The UNDP Bureau for Development Policy, the United Nations Fund for International Partnerships and the Government of the Dominican Republic organized a one-day private sector forum to explore linkages between remittances and development, held at United Nations Headquarters in New York on 8 September 2006. The forum brought together over 50 participants from companies dealing with remittances, microfinance, information and communications technology, together with regulators and parties that support projects, including investment funds, multilateral institutions, foundations and government agencies. One of the conclusions reached at the forum was that public-private partnerships could help ensure a smooth transition from informal to formal remittances, and that they also allowed greater access to remittance-based financial products that are inclusive and which address the needs of the poor and disadvantaged. Such partnerships can assist the private sector by (a) offsetting new product risks for the commercial sector, by levelling the playing field; (b) allowing greater access to unreached consumers; (c) introducing new technology; (d) improving the financial and technical education of consumers; and (e) bringing in private sector entrepreneurial skills to improve the

financial infrastructure, including the automation of money markets and the establishment of service and credit standards.

52. FAO has provided assistance to the Alliance through its Special Programme for Food Security in the Bahoruco Province, where it supported rural development associations through the activities of the national thematic group of the Network on Rural Development and Food Security, and by means of various projects, such as a project for the rehabilitation of yucca plantations undertaken with the National Federation of Women Farmers. It has also provided support for a project on nutritional education undertaken with the women's association Mujeres en Desarrollo.

53. Phase II of the IFAD South-Western Region Small Farmers Project is nearing completion. The project is directly executed by the national planning office, which formulates national policies for economic, social, territorial and institutional development. The policies include improved coordination with local governments in parallel with increased transfer of public resources to them. The project covers the three provinces in which the highest poverty levels in the country exist.

54. The Economic Commission for Latin America and the Caribbean (ECLAC) has participated in matters related to the Alliance by fostering better analysis and indicators of rural development in the Dominican Republic. Another activity led by ECLAC was the preparation of a multi-agency report, involving FAO, the Inter-American Institute for Cooperation in Agriculture, the Pan American Health Organization/World Health Organization, the International Labour Organization and the United Nations Educational, Scientific and Cultural Organization, on the indicators of the 2003-2015 Plan of Action for Agriculture and Rural Life in the Americas. In that report, the Government and the private sector analysed the position and progress of the Dominican Republic in comparison with other Latin American and Caribbean countries in the area of 27 indicators ranging from poverty, income and rural development (agricultural and non-agricultural) to exports, land use, pesticide use, access to drinking water and schooling. A seminar and meetings were held in the Dominican Republic on tourism-based clusters, with the participation of several important stakeholders, such as large hotel chains, local tourist operators and the public sector. Several initiatives for private-private and private-public cooperation have ensued.

55. The Permanent Mission of the Dominican Republic to the United Nations, in cooperation with the United States Hispanic Chamber of Commerce, co-organized a meeting on 12 September 2006 in New York to sensitize members of the business community about the importance of the Global Compact, social responsibility, public-private partnerships and the achievement of the Millennium Development Goals. The meeting was attended by senior officials from the Global Compact, the Permanent Mission of the Dominican Republic, UNDP and the Department of Economic and Social Affairs/Office for Economic and Social Council Support and Coordination. Attention was focused on promoting social engagement and public-private partnerships in the Dominican Republic.

56. The Dominican Republic Family AIDS Programme is a partnership project within the framework of the Alliance. The partners are the Columbia University International Family AIDS Program, the Mission International Rescue Charities, the Sisters of Adoration (Roman Catholic nuns), the Clinton HIV/AIDS Initiative and the Ministry of Health of the Dominican Republic. In the area of health care,

Columbia University helped in the coordination of public contributions raised to open a family AIDS clinic in February 2006. The clinic will serve the province of La Romana and will accept patients from the eastern region of the country. Currently, the clinic in La Romana has 1,046 HIV-infected children and adults registered for care, of whom 548 have been identified to receive long-term anti-retroviral therapy. The Mother-Baby HIV project, a collaboration between Columbia University, the municipal Francisco Gonzalvo Hospital, the Hickey Family Foundation and Rotary International, identifies and treats approximately 140 HIV-infected pregnant women each year in La Romana Province. Through the support of Rotary International, the project ensures clean water for HIV-infected patients and HIV-exposed infants through the use of Biosand home water filters and ensures clean water for mixing baby formula. Additionally, through a programme funded by the United States Agency for International Development and administered by Pact, education, capacity-building and micro-credit development programmes have been recently begun.

57. In the area of training and health, the Columbia University International Family AIDS Programme, the Clinton HIV/AIDS Initiative and the Ministry of Health of the Dominican Republic established a training, education and technical assistance programme for Dominican health-care providers caring for HIV-infected children and adults. A number of doctors, nurses, social workers, counsellors, lab technicians and other health-care providers from Dominican governmental and non-governmental organizations have received training and education on HIV. In addition, technical assistance was provided to the Dirección General de Infecciones de Transmisión Sexual y SIDA and the Consejo Presidencial del SIDA of the Ministry of Health, as well as to numerous non-governmental organizations. A project run by the College of Physicians and Surgeons of Columbia University, with funding from the Louis and Rachel Rudin Foundation, New York, and the Mission International Rescue Charities, has sent 42 medical students and residents from the United States on month-long training rotations at the La Romana family AIDS clinic during the 2005/06 academic year. A total of 81 per cent of participants were from the Columbia University system and 17 per cent from Harvard University, Brown University, Duke University, the University of Pennsylvania and Baylor University. The remaining 2 per cent came from Europe.

58. The Observatory for Cultural and Audiovisual Communication in the Mediterranean and in the World and the University of Oklahoma have carried out two exploratory missions and are in close contact with the Ministry of Information, Communication and Technologies. The first mission was conducted in July 2006, the second in December 2006. The first mission culminated in the establishment of an ad hoc working group that includes the representatives of the community who have been given the task of preparing needs assessment for the community. The second mission comprised the Ministry, Stony Brook University, the University of Oklahoma and the Observatory. The interest shown in the project by the Government and the local community led to the establishment of a new facility accessible for all and an e-health project through the Constanza hospital aimed at providing early warnings for various health-related issues, such as HIV, tuberculosis, diabetics and hypertension. Other stakeholders in the projects included private sector companies, including Microsoft, Siemens, Telespazio and Pianeta.

59. A non-profit organization based in New York, the Public-Private Alliance Foundation, has drawn the attention of development partners in New York to the

efforts of the United Nations Public-Private Alliance for Rural Development and its potential for public-private partnerships in the Dominican Republic. It also helped draw the attention of the Alliance to partners in Santo Domingo and in the provinces of the Dominican Republic with high rates of poverty. The Foundation's activities had also focused on facilitating business associations in the Monte Plata Province for the promotion of fish-farming, cocoa, ethanol and pineapple production, women's entrepreneurship, microfinance and information technology.

2. Impact and challenges

60. Some examples of the impact of the public-private partnerships for rural development are set out below.

61. The primary accomplishment of the regional consultation on migration, remittances and development held in Santo Domingo in July 2006 (see para. 49 above), and the forum held in New York in September 2006, organized by the UNDP Bureau for Development Policy (see para. 51 above), was that they brought together a group of diverse stakeholders who agreed on tangible measures that could link remittances to inclusive financial goods and services and provide additional options to contribute to the achievement of the Millennium Development Goals. The primary constraint was the lack of human and institutional capacity at the local and national levels. It is necessary to catalyse an enabling environment and to create effective public-private partnerships to achieve the desired objectives.

62. The IFAD projects in the three provinces with the highest rates of poverty have had a deep impact. Their activities, focusing on social investment, productive development and the financing of agricultural and non-agricultural activities, have achieved important results. Project outcomes included the strengthening and consolidation of social and economic organizations that benefited from a higher participation of women; the strengthening of local capacities and rural financial markets; and the systematic development of relations between poor peoples' organizations and local governments. To ensure the sustainability of services to the rural poor after its completion, the IFAD projects have made a significant contribution to the development of partnerships between beneficiary organizations, entities of central Government, local governments, intermediary financial institutions and the private sector. That was illustrated by the financing of a number of social and economic projects implemented by beneficiary organizations, the continuous support provided by international and local non-governmental organizations to cooperatives for the production and marketing of quality organic coffee and bananas, and public-private agreements for technical assistance to livestock producers.

63. The challenge for the Dominican Republic is to attract public-private partnerships for sustainable rural development in the following critical areas: (a) the institutional strengthening of private and public sector agribusiness; (b) capacity-building and empowerment of technical and operational personnel in different disciplines; (c) capacity-building to enhance food production; (d) social sector assistance; (e) the promotion of microfinance; and (f) the promotion of agro-forestry and reforestation.

III. Enhancing support for national mechanisms and global advocacy to promote partnerships for rural development

A. Capacity-development for national mechanisms

64. The primary function of the Alliances in Madagascar and the Dominican Republic is to play a catalytic role to facilitate, monitor and report on the promotion of partnerships for rural development. Experience in the two pilot countries indicate that human and institutional capacities need to be strengthened. In this regard, development partners, notably the United Nations system, should assist in capacity-development linked to the objective of the two pilot countries.

65. The role of Alliance Madagascar as a catalyst has fallen short of expectations. Efforts should be directed towards strengthening human and institutional capacities as well as providing financial support to the Alliance. Employing full-time managers with technical skills and well-equipped facilities for facilitating partnerships is of the utmost importance.

66. In the Dominican Republic, the Presidential Commission, which manages the Alliance platform, should enhance partnership projects commensurate with rural development needs. Efforts need to be directed towards strengthening its technical capacity to identify, facilitate and fast-track partnership projects. In this regard, the Commission should engage in stronger cooperation links at the national level with the United Nations system and other stakeholders.

B. Strengthening global advocacy

67. At the global level, the Office for Economic and Social Council Support and Coordination of the Department of Economic and Social Affairs has prepared advocacy products (available also in French and Spanish) for Madagascar and the Dominican Republic, and launched a new website to update stakeholders on progress achieved through Alliance partnerships (www.un.org/esa/coordination/Alliance/home). It has also helped to direct potential partners to Alliance representatives based in the Permanent Missions of Madagascar and of the Dominican Republic to the United Nations in New York.

68. The representatives of New York-based Alliances and the Office for Economic and Social Council Support and Coordination provided briefings, including through round-table and forum presentations, to various development partners. In 2004, Alliance Madagascar and the US-Madagascar Business Council jointly organized a business meeting in New York with the President of Madagascar that was attended by business representatives with various interests, ranging from tourism and infrastructures to mining and energy, including representatives from the Vanco Energy Company, Land O'Lakes, Inc,, Moving Water Industries and Air Madagascar. Various briefings were provided to the representatives of non-governmental/civil society organizations and the private sector on the potential areas for partnerships in Madagascar and the Dominican Republic. Some organizations have already made plans for partnership projects, while others are planning to expand their operations within the Alliance framework, including Opportunity International (United States), Franciscan International (United States), International Movement ATD Fourth World (France), the Virginia Gildersleeve International Fund

(United States), the Trestle Group (Switzerland) and the World Jewellery Confederation (Italy).

69. IFAD has pursued policy dialogue and advocacy to raise awareness of the causes and consequences of rural poverty, and to promote innovative approaches to rural development. In June 2005, IFAD, FAO, WFP and the Office for Economic and Social Council Support and Coordination jointly organized a ministerial review at Headquarters to consider progress in the implementation of the ministerial declaration adopted by the Economic and Social Council in 2003 on promoting an integrated approach to rural development in developing countries for poverty eradication and sustainable development. Participants in the meeting highlighted progress in Madagascar and the Dominican Republic, especially from the perspective of the implementation of national commitments to rural poverty reduction and development in rural areas. The meeting contributed to a better understanding by the member States of the Council of the poverty situation in both countries and raised awareness regarding the role of rural development in the achievement of the Millennium Development Goals.

IV. Some issues for consideration

70. Three years have elapsed since Madagascar, and two years since the Dominican Republic, were approved by the Economic and Social Council as the first and second pilot countries. Madagascar and the Dominican Republic established Alliance Madagascar and the Presidential Commission, respectively, as platforms to promote national and global partnerships for rural development. "Ownership" and "partnership" are the twin concepts on which the Alliances operate. The work of the Alliances in both countries has reached a critical juncture in the enhancement of partnership initiatives. Assistance for capacity-development is required to strengthen the effectiveness of the Alliance.

71. During the reporting period, Alliance Madagascar activities were hampered by critical human, institutional and financial constraints. Closer cooperation at the national level between the Alliance and the United Nations system should help to eliminate those constraints.

72. The Alliance in the Dominican Republic managed by the Presidential Commission functions on an established structure. The Alliance needs to be equipped effectively to mobilize partnerships and to conduct reviews periodically on progress and challenges to facilitate partnerships for sustainable rural development. The Government of the Dominican Republic seeks a greater increase in partnerships for such initiatives. The Presidential Commission and the United Nations system should forge closer ties in their efforts to scale-up partnerships at the national level. Training and technical support should be provided to enable officials to handle the Alliance platform effectively in their efforts to enhance partnerships.

V. Recommendations

73. The following actions are recommended to improve the effectiveness of the Alliances:

(a) The capacities of national mechanisms in Madagascar and the Dominican Republic should be enhanced through the provision of skills and knowledge aimed at promoting and sustaining effective vehicles for partnership development. **An evaluation should be conducted of the existing capacities and gaps of the relevant national mechanisms to ensure that they perform as effective platforms in the promotion and fast-tracking of public-private partnerships;**

(b) At the national level, Alliance Madagascar and the Presidential Commission should forge closer ties with development partners to ensure more coherent, demand-driven support. **Partners involved in Alliance projects should be encouraged to share their success stories and best practices, including those in the framework of the annual ministerial review of the Economic and Social Council;**

(c) **Global advocacy should be further strengthened to disseminate information to promote partnerships in Madagascar and the Dominican Republic. The partnership offices in United Nations system organizations, such as in UNDP, UNICEF, the United Nations Population Fund and UNESCO, should also assist in advocacy and facilitate partnerships in their respective thematic areas linked to rural development.**